

HOME Homeownership and Small Rental Housing Development Notice of Funds Availability

I. OVERVIEW

The Georgia Housing and Finance Authority (GHFA) hereby notifies interested Applicants of the availability of funds allocated from the HOME Investment Partnerships Program (HOME). The availability and use of these funds is subject to Federal HOME regulations (24 CFR Parts 91 and 92) and any amendments thereto, including the final regulations published by the Department of Housing and Urban Development (HUD) in the Federal Register on or about July 24, 2013, and is further subject to GHFA's policies and program requirements. The Georgia Department of Community Affairs (DCA) is the administrator of GHFA's programs.

In releasing this Notice of Funding Availability (NOFA), the goal of DCA is to facilitate the new construction, reconstruction, and rehabilitation of small, affordable rental housing as well as single-family units for sale to low and moderate income home buyers. To meet this goal, DCA will provide financing at rates below those charged by commercial lending institutions. For purposes of this NOFA, "small affordable rental housing" will be defined as a property composed of less than 40 units.

Funds will be awarded to successful Applicants who will act as Subrecipients of GHFA to administer the programs set out in this NOFA.

This NOFA is one of two issued by DCA. Applicants seeking an award of funds as the developer of multifamily affordable housing should review the GHFA Multifamily Affordable Housing NOFA issued on January 13, 2014.

Interested parties may find the regulations governing the use of HOME funds under Title 24, Part 92, of the Code of Federal Regulations. Additional HOME information may also be found at the following link:

<https://www.onecpd.info/home/>

A copy of this NOFA and the Application package and other related materials will be available on the DCA website at the link listed below within seven (7) business days of the posting of this NOFA.

<http://www.dca.state.ga.us/housing/HousingDevelopment/programs/HOMERental.asp>.

Applicant questions must be directed in writing to home.nofa@dca.ga.gov no later than Friday, January 31, 2014. Questions and Answers to these NOFAs as well as other program updates will be posted to the website noted above regularly.

II. AMOUNT OF FUNDS AVAILABLE FOR AWARD

DCA anticipates that approximately Four Million Dollars (\$4,000,000) will be available under this NOFA. DCA reserves the right to fund, in whole or in part, any, all, or none of the applications submitted in response to this NOFA. DCA may also reallocate funds from this NOFA to the Multifamily Affordable Housing NOFA if it determines that such a substitution is necessary to further its administration of both programs.

**HOME Homeownership and Small Rental Housing Development
Notice of Funds Availability**

III. MINIMUM AND MAXIMUM AMOUNTS OF HOME FUNDS PER DEVELOPMENT

DCA will not award less than \$300,000 per application submitted ("Application") and not more than \$1,000,000 per Application. Eligible Applicants may submit only one Application.

IV. ELIGIBLE APPLICANTS

A. Subrecipient Role

Successful Applicants will act as Subrecipients of GHFA HOME funds. Subrecipients are defined in the revised HOME Final Rule of July 24, 2013, as follows:

*"Subrecipient" means "a public agency or nonprofit organization selected by the participating jurisdiction to administer all or some of the participating jurisdiction's HOME programs to produce affordable housing....A public agency or nonprofit organization that receives HOME funds solely as a developer or owner of a housing project is **not** a Subrecipient. The participating jurisdiction's selection of a Subrecipient is not subject to the procurement procedures and requirements."*

Applicants approved for funding under this NOFA will administer the two activities which are outlined in Exhibit "A" of this NOFA.

Administrative responsibilities of the Subrecipient will include, but are not limited to:

- Selecting third party developers to complete eligible activities.
- Conducting assessments of proposed developments and coordinating appropriate work to be completed.
- Evaluating the reasonableness of proposed project costs.
- Ensuring that the work is performed in accordance with all required property standards.
- Submitting required project documentation to DCA.
- Performing federal compliance oversight.
- Monitoring Program timelines for commitment and expenditure of funds.
- Monitoring compliance with DCA and HOME Program requirements for the period of affordability.

DCA intends to enter into a formal written agreement with each selected Applicant no later than June 30, 2014.

B. Eligible Applicant Entities

The following entities will be considered eligible to act as a Subrecipient under this NOFA:

**HOME Homeownership and Small Rental Housing Development
Notice of Funds Availability**

- Local governments
- Qualified non-profit organizations
- Public Housing Authorities
- Qualified Community Service Boards

All Applicants must meet the following requirements:

1. The Applicant has completed the administration as a Subrecipient of at least one (1) HOME, CHIP, or NSP funded development using HUD funding of a similar nature and scope.
2. The Applicant must show the capacity to carry out the proposed development by having either staff or entities under contract with relevant experience in successfully completing the administration of other developments of a similar nature and scope. "Experience" is defined as having at least five (5) years of project management and administration work experience with HOME or NSP funded developments of a similar nature and scope.
3. If the Applicant is proposing rental housing development, the Applicant must also document its capacity to carry out the long-term rental compliance responsibilities associated with the development through the period of affordability.
4. Applicants must not be out of material compliance or disqualified from any program administered by DCA or under debarment, proposed debarment or suspension by a federal agency.

C. Additional Qualification Requirements for Applicant Entities – Nonprofits & CSBs

In addition, an Applicant formed as a nonprofit or Community Service Board (CSB) must be determined by DCA to be qualified to act as a Subrecipient. The nonprofit or CSB must be able to demonstrate technical expertise of staff and other project partners in housing production and management and meet the following criteria:

1. A proven track record in affordable housing development and project management for a minimum period of five (5) years prior to the application submission date.
2. The healthy operating sustainability of the organization, including fiscal longevity.
3. The sound management and governance of the non-profit or Community Service Board.
4. At the time of application, the authorized signatory of the Applicant (e.g. Chief Executive Officer) must demonstrate compliance with O.C.G.A. §50-36-1 (e) (2)-Verification of Lawful Presence within the United States.
5. At the time of application, all non-profit Applicants also must be in compliance with O.C.G.A. Section 50-20-1 through 50-20-8. Successful Applicants must remain in compliance with this section through program closeout. DCA will not fund any activity should the non-profit fall out of compliance with O.C.G.A. Section 50-20 et. seq. until such time that the entity's compliance has been determined by Georgia Department of

**HOME Homeownership and Small Rental Housing Development
Notice of Funds Availability**

Audits and Accounts and, subsequently, the Commissioner of DCA has authorized proceeding with funding of existing commitments.

D. Additional Eligibility Requirements for Applicants – Local Governments

In addition to the requirements for all Applicants, Local Governments must also meet the following requirements:

1. Local governments that received a grant award under the Community HOME Investment Program (CHIP) in the 2009 or any prior grant year must have expended all project and administrative funds by December 1, 2013, in order to be qualified as an Applicant.
2. Local governments should also be in compliance with the audit report/grant certification form submission requirements as provided under O.C.G.A. Section 36-81-7 and Section 36-81-8.1.

V. FORMS OF HOME ASSISTANCE AND DEVELOPER AND PROJECT DELIVERY FEES

Funds provided to all Subrecipients will be in the form of a grant from GHFA. All funds must be loaned to the third party development entity and program income generated must be retained in a separate account for use in future HOME-eligible affordable housing developments by the Subrecipient.

Funds for the development of either housing type must be provided by the Subrecipient to the developer/owner of the housing as a loan. The terms will be subject to DCA approval and should be set to ensure housing affordability for the targeted population and program income to the Subrecipient to the greatest extent possible.

Subrecipients will receive a project delivery fee of up to 5% of total project development costs.

More details are provided in Section III of Exhibit A (Activity Summaries).

VI. APPLICATION REVIEW PROCESS

All Applications will initially be reviewed by DCA to determine completeness. Applicants must respond to any DCA clarification request within three (3) business days from receipt. Failure to meet this deadline will cause the Application to be deemed incomplete and the Application will not be reviewed further.

Complete Applications will be screened to determine whether the Application meets the minimum NOFA eligibility requirements. DCA will evaluate and rank each complete and eligible Application according to the priorities identified herein. For any Applications ranked at the same level, the DCA Receipt Date will determine which Application has priority, with the

**HOME Homeownership and Small Rental Housing Development
Notice of Funds Availability**

earliest submission ranked the highest. The “DCA Receipt Date” is defined as the date and time a complete Application is received by DCA.

VII. SELECTION PRIORITIES

1. **Experience of the Proposed Subrecipient** - Both the experience of the Applicant in administering HOME funds as a Subrecipient and/or the Applicant’s experience in developing or administering the development of similar units will be considered.
2. **Project Concept** – DCA will evaluate each Applicant’s proposal for administration of any awarded funds. The evaluation will include, but not be limited to, the appropriateness of the proposed service area, the type of housing to be developed, the income of the population to be served, the amount of HOME investment per unit, and the demonstrated demand for the completed units. Proposals will also be evaluated for completeness, existing delivery systems and the plan for meeting DCA program deadlines.
3. **Leveraging** - The amount and extent of documented commitments from other lenders or funders that will leverage DCA resources will be considered.
4. **Readiness to Proceed** – Applications that can demonstrate the greatest readiness to proceed with program implementation will be given the highest priority. This can be demonstrated by the submission of the following with the Application:
 - A. The identification of proposed development sites is not required at the time of submission. However, if sites have been identified and site control is in place for the Applicant or owner, priority will be given to these Applications. Site control is identified as (A) A Warranty Deed that conveys title to the subject property(ies) to the Applicant or proposed owner, (B) a legally binding contract to purchase the proposed project site(s) in the name of the Applicant or ownership entity, or (C) a legally binding contract for a binding long-term ground lease, with a minimum term of 45 years.
 - B. If the Applicant is a local government, documentation of the publication of a legal notice seeking public comments on the Tier One environmental review.
5. **Enhanced Development Practices** - Applications that commit to promote enhanced development practices in the administration of DCA funds including:
 - A. Energy Efficiency – Applicants that commit to develop housing in conformance with energy efficiency standards such as Earth Craft™, Georgia Power Good Cents Home™, or other similar standards applicable to the style or type of construction.

**HOME Homeownership and Small Rental Housing Development
Notice of Funds Availability**

- B. Visitability – Applicants proposing the rehabilitation of single-family units are not required by law to include visitability improvements identified in O.C.G.A. §8-3-172. However, DCA will provide a priority to those Applicants which commit to the completion of these visitability improvements to the extent compatible with the rehabilitation work being proposed.
- C. Universal Design – Applicants that commit to the inclusion of universal design features in the design of the housing to be constructed. “Universal Design” is the concept of designing all products and the built environment to be aesthetic and usable to the greatest extent possible by everyone, regardless of their age, ability, or status in life. Further information may be found at the Center for Universal Design at: <http://www.ncsu.edu/www/ncsu/design/sod5/cud/>.
- D. Amenities – Applicants proposing rental housing construction that includes an on-site play area or community space(s) for use by tenants.
- E. Enhanced Design Features – Applicants that commit to inclusion of enhanced design features for single family housing in their project design, including but not limited to: sodded yards, street trees, off-street parking, the incorporation of brick or fiber cement siding, or other features identified by the Applicant.

6. Comprehensive Community Strategy -

- A. Applicants that commit to only carry out housing development activities in areas within a locally approved urban redevelopment plan, a state enterprise zone designated pursuant to O.C.G.A. §36-88, a local redevelopment area adopted pursuant to O.C.G.A. §36-61, a Tax Allocation District adopted pursuant to O.C.G.A. §26-44, or a Revitalization Area Strategy adopted by the local government and approved by DCA’s Community Development and Finance Division.
- B. Applications for activities that will be located in a past or present Georgia Initiative for Community Housing (GICH) participating community. Further information may be found at: <http://www.fcs.uga.edu/hace/hdrc/gich>.
- C. Applications that provide documentation that the proposed housing supports recent successful job creation activities in the community where the housing development is proposed.

VIII. APPLICATION PROCEDURES AND AWARD ANNOUNCEMENTS

A. Application Submission

One (1) original Application and two (2) copies on DCA forms must be submitted to DCA along with a flash drive that includes a copy of the Application and all supporting documentation. The Application may be submitted anytime on or after February 10, 2014, but no Applications will be accepted after February 24, 2014 at 4:00 PM. All Applications must arrive at DCA by the date and time indicated in order to be considered. Postmarks will not be considered to meet this requirement.

**HOME Homeownership and Small Rental Housing Development
Notice of Funds Availability**

All applications must be mailed or be delivered to DCA's mailroom at the following address:

HOME Homeownership and Small Rental Housing Development NOFA
Georgia Department of Community Affairs
60 Executive Park South, NE
Atlanta, Georgia 30329-2231

B. Application Award and Notification

All applications will be reviewed, evaluated, and ranked according to the priorities and preferences outlined in Section VII. DCA will consider the geographic distribution of these resources across the State prior to making final funding decisions. All award results will be posted on the DCA web site and Applicants notified in writing.

IX. Timeframe for Commencement and Completion of Developments

All HOME funds must generally be expended within eighteen (18) months of DCA's award date. All development activity must be completed within two (2) years of award. "Completion" is defined as all construction activities being complete, all development funds expended, all final inspections have taken place, and certificates of occupancy issued.

All rental units must be occupied by income-eligible households within eighteen (18) months of issuance of a certificate of occupancy. If a unit is not occupied within six (6) months of issuance of a certificate of occupancy, the developer must develop and submit to DCA an enhanced marketing plan.

All home buyer units must have ratified sales contracts within nine (9) months of the issuance of a certificate of occupancy for the unit or the unsold unit must be converted to a HOME-funded rental units.

X. Compliance with Other Federal Requirements

In addition to the basic HOME rules previously outlined, a number of other federal and state regulations must be adhered to in the course of administering HOME funds. The certifying official of the Applicant is responsible for ensuring that the proposed program, activities, goals and timetables are in compliance with all federal and state laws, regulations and executive orders. The major applicable federal laws, regulations and executive orders include, but are not limited to, the areas outlined below:

A. Non-Discrimination and Equal Access

Applicants must take measures to ensure non-discriminatory treatment, outreach and access to HOME resources. This applies to employment and contracting, as well as to marketing and

**HOME Homeownership and Small Rental Housing Development
Notice of Funds Availability**

selection of program participants. DCA does not discriminate based on disability in the administration of Federal HOME funds.

B. Fair Housing and Equal Opportunity

Applicants and their activities must comply with all of the federal laws, executive orders and regulations pertaining to fair housing and equal opportunity listed below:

- Title VI of the Civil Rights Act of 1964, As Amended (42 U.S.C. 2000d et seq.)
- The Fair Housing Act (41 U.S.C. 3601-3620)
- Section 104(b) (2) of the Fair Housing Act
- Fair Housing Act implementing regulations for HUD programs at 24 CFR Part 100-115
- Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259)
- Equal Opportunity in Housing Regulations at 24 CFR Part 107
- Age Discrimination Act of 1975, As Amended (42 U.S.C. 6101)
- Title VIII of Civil Rights Act of 1968 (2 U.S.C. 3601 et. seq. and implementing regulations, as amended
- Affirmative marketing in accordance with the HOME Investment Partnerships Act and 24 CFR 92.351
- Section 3 of the Housing and Urban Development Act of 1968
- Georgia Fair Lending Act

C. Accessibility for Individuals with Disabilities

- Section 504 of the Rehabilitation Act of 1973

D. Equal Opportunity

- Equal Employment Opportunity Executive Order 11246, as amended, and implementing regulations at 41 CFR Part 60

E. Contracting and Procurement

- Procurement Standards at 24 CFR 85.36 and for nonprofit organizations at 24 CFR Part 84 and OMB Circular A-110
- HOME Program Conflict of Interest Provisions at 24 CFR 92.356
- Debarred, Suspended or Ineligible Contractors at 24 CFR Part 5

**HOME Homeownership and Small Rental Housing Development
Notice of Funds Availability**

F. Environmental

- National Environmental Policy Act of 1969 (NEPA) and the related authorities listed in HUD's implementing regulations at 24 CFR Parts 50 and 58

G. Lead Based Paint:

- Section 1012 and 1013 of the Residential Anti-Lead Based Paint Hazard Reduction Act of 1992, which is Title X of the Housing and Community Development Act of 1992 and implementing regulations at 24 CFR Part 35

H. Acquisition and Relocation

- Uniform Relocation Act (URA)
- Section 104(d) of the Housing and Community Development Act, known as the Barney Frank Amendments

I. Financial Management

- 24 CFR Part 85 ("Common Rule") and for nonprofit organizations see CFR Part 84
- Federal OMB Circular A-133
- Federal OMB Circular A-87

J. Housing

- The Truth in Lending Act (Regulation Z)
- Title I Consumer Protection Act (PL 90321)
- Construction Industry Licensing Board Act (O.C.G.A. Section 43-14-1, et. seq.)
- Georgia Industrialized Building Act of 1982, As Amended (O.C.G.A. Title 8, Chapter 2, Article 2, Part 1 "Industrialized Buildings"; Part 2
- Manufactured Housing [Mobile Homes])
- Mandatory State Construction Codes, as well as the International Energy Conservation Code
- Construction and Safety Standards at 24 CFR 3280 for new manufactured housing
- Georgia Fair Lending Act

K. Labor Standards

- Every contract for the new construction or rehabilitation of housing that includes 12 or more units assisted with HOME funds must contain a provision requiring the payment of not less than the wages prevailing in the locality, as pre-determined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a-5). Such

**HOME Homeownership and Small Rental Housing Development
Notice of Funds Availability**

contracts are also subject to the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-332).

- Contractors, subcontractors, and other HOME fund recipients must comply with regulations issued under these acts and with other Federal laws and regulations pertaining to labor standards and HUD Handbook 1344.1 (Federal Labor Standards Compliance in Housing and Community Development Programs).

L. General

- Title II of the National Affordable Housing Act of 1990, As Amended
- 24 CFR Part 92, HOME Investment Partnerships Program
- 24 CFR Part 5 A, 5.105, Other Federal Requirements
- O.C.G.A. Title 50, Chapter 18, Article 4, Georgia Open Records Act

Section X. Compliance with State Requirements

In addition to the basic HOME rules and Federal requirements, the certifying official of the Applicant is responsible for ensuring that the proposed program, activities, goals and timetables are in compliance with all state laws, regulations and executive orders, including:

A. Immigration

- O.C.G.A. 50-36-1, Verification of Lawful Presence within the United States
- HB 87, Illegal Immigration Reform and Enforcement Act of 2011

B. Non-profit Contractors

- O.C.G.A 50-20-1, Relations with Non-profit Contractors

C. Single-family Construction Requirements

- O.C.G.A. 8-3-172, Funding for Single-family Housing; Construction Requirements

**HOME Homeownership and Small Rental Housing Development
Notice of Funds Availability**

Exhibit “A”

I. Eligible Activities

Subrecipients may fund the following eligible activities:

- (1) Rental development of less than forty (40) total units, or
- (2) Single-family, home buyer developments, including those on scattered sites.

Acquisition will only be considered as an eligible cost if the acquisition is an arms-length transfer of property between two unrelated parties.

A market analysis must be submitted that demonstrates that the proposed target area has an insufficient supply of housing of the type being proposed for the target income group.

II. Ineligible Activities

The following activities are ineligible for funding from a Subrecipient:

- Requests for refinancing as defined under the HOME regulations.
- Developments under common ownership and financing that consist of two or more units that are designated solely for occupancy by persons with disabilities and are in close geographic proximity. “Close geographic proximity” is defined as such units being less than 2,000 feet in distance from other properties similar in nature as measured from lot line to lot line regardless of their ownership or financing.
- Rental developments funded under this NOFA that have more than 20% of the total units reserved for occupancy by individuals with disabilities.
- Developments involving only acquisition of property.
- Developments that will result in any permanent, involuntary displacement of residents.
- Owner-occupied rehabilitation. This activity is funded under the Community HOME Investment Program (CHIP) offered by DCA.
- Tenant-based rental assistance.
- Manufactured housing.
- All activities expressly prohibited in the HOME regulations as outlined in 24 C.F.R. 92.214.

III. Activity Summaries

Small Rental Housing Development - Funds will be provided to acquire, rehabilitate, reconstruct, or newly construct units to be used for long-term affordable rental units. Acquisition will only be an eligible cost if carried out in conjunction with rehabilitation, reconstruction, or new construction. Funds for this purpose will only be made available to

HOME Homeownership and Small Rental Housing Development Notice of Funds Availability

Subrecipients which are local governments, qualified Community Service Boards, or Public Housing Authorities.

Generally, loans should be 0% interest during construction and 1% interest for permanent financing. DCA retains the right to approve all loan terms, including the provision of funds by Subrecipients to developers as cash flow loans, if appropriate, to ensure long term sustainability for properties that target special needs populations or for properties with a commitment of HUD funds that require all subordinate debt to be “soft”. Generally, GHFA will require that all other debt be subordinate to its loan with the exception of other HUD resources. As part of its financial feasibility analysis, DCA will require that projects with tangible debt meet, at a minimum, a 1.20 debt coverage ratio for each year of the affordability period.

Fees to developers that complete developments funded under this NOFA shall be up to 15% of DCA’s HOME investment cost not including the value of the land if acquisition funds are provided. This amount may be reduced if there is an identity of interest between the developer and the contractor working on the development. The developer fee should be pro-rated among all funding sources.

Subrecipients are eligible to receive a project delivery fee of up to 5% of the total development cost. All eligible project delivery costs must be identified by the Subrecipient. All program income generated by the development throughout the loan term may be retained by the Subrecipient and used for additional HOME-eligible housing development activities. In addition, the Subrecipient may also charge compliance monitoring fees to the development throughout the period of affordability subject to the approval of DCA.

If the new construction of rental units is being proposed, a Site and Neighborhood Standards review must be completed to satisfy the Civil Rights Act of 1964, the Fair Housing Act, and Executive Order 11063. HOME Program rules place limiting conditions on building these developments in areas of minority concentration and those that are racially mixed.

Home Buyer Development - Funds will be provided to acquire, rehabilitate, or newly construct single-family units to be sold to low and moderate income home buyers. Single-family units are defined as structures with 1-4 units. All eligible Applicants, including qualified non-profit organizations, are eligible to apply for this activity

Funds to Applicants for new construction, rehabilitation, and/or reconstruction of single family units for homeownership shall be provided by the applicant as a construction loan at 0% interest due upon sale to a home buyer eligible under the HOME Program. Under rare instances, the sales price less a 15% developer fee may be less than the construction loan. In these instances, the developer fee will be limited to 15% of the sales price and the remaining balance after applying the sales proceeds will be provided as a grant to the developer to satisfy the construction loan.

HOME Homeownership and Small Rental Housing Development Notice of Funds Availability

Fees to developers that complete developments funded under this NOFA shall be 15% of the total development cost not including the value of the land if acquisition funds are provided. This amount may be reduced if there is an identity of interest between the developer and the contractor working on the development. Subrecipients are eligible to receive project delivery costs of up to 5% of the total development cost. All eligible project delivery costs must be identified by the Subrecipient.

If the application proposes the development (either new construction or rehabilitation) of housing units that will be sold to low and moderate income home buyers, a formal agreement between the Subrecipient and a HUD-approved housing counseling agency to provide pre-purchase, home buyer education services to all new home buyers will be required, but not at the time of application. A firm partnership will be required in carrying out the funded activities. Partnerships that consider post-purchase education services for each new home buyer are encouraged.

IV. Community Integration for Persons with Disabilities

In addition to embracing its role in creating housing opportunities, DCA seeks to support the broader goals of community integration expressed in the original Olmstead Decision. The 1999 US Supreme Court decision in *Olmstead v L.C.*, 527 U.S. 581 (1999), held that people with disabilities have the right to live in the least restrictive, most integrated settings.

DCA defines a “person with a disability” as: “Any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such impairment.” In general, a physical or mental impairment includes hearing, mobility and visual impairments, chronic substance abuse issues, chronic mental illness, AIDS, AIDS Related Complex, and mental retardation that substantially limit one or more major life activities. Major life activities include walking, talking, hearing, seeing, breathing, learning, performing manual tasks and caring for oneself.

The “most integrated setting” is defined as “a setting that enables individuals with disabilities to interact with non-disabled persons to the fullest extent possible.” Integrated settings are those that provide individuals with disabilities opportunities to live, work, and receive services in the greater community in a manner similar to individuals without disabilities. Integrated settings are located in mainstream society and offer access to community activities and opportunities at times, frequencies and with persons of an individual’s choosing. Integrated settings also afford individuals choice in their daily life activities and provide individuals with disabilities the opportunity to interact with non-disabled persons to the fullest extent possible. Settings that are not integrated include, but are not limited to, properties which target more than 20% of the units to individuals with disabilities. For purposes of this NOFA, DCA will not consider applications that propose housing populated exclusively for or which target more than 20% of the units to individuals with a disability except in two instances: (1) the preservation of existing, subsidized affordable housing which is occupied by persons with disabilities and (2) scattered

HOME Homeownership and Small Rental Housing Development Notice of Funds Availability

site units in which 2,000 feet or more separate a unit targeted for an individual with a disability from other units targeted to individuals with disabilities. In the second instance, the distance will be measured from lot line to lot line regardless of their ownership and financing. Funding sources, including rental assistance, that require documentation of a disability as a condition will be considered documentation that the unit targets individuals with disabilities.

Further, in assessing whether a property supports the broader goals of community integration under the Olmstead Decision, individuals with disabilities must have access to community resources such as public transportation, educational facilities, libraries, shopping venues, and recreational activities. In addition, these households should not be limited to interacting with or traveling about the community with other individuals with a disability or people from the same residential setting. For example, requiring residents with similar disabilities to shop, travel by van, or recreate together as a group does not satisfy this criteria. If proposed housing units are geographically isolated or distant from transportation and community activities or located in a campus or institution like setting, DCA will not select the Application for funding.

V. Property Standards

All funded properties must meet certain property standards. At minimum, all units must meet HUD's Uniform Physical Condition Standards (UPCS). However, the HOME regulation also requires that all housing that is rehabilitated or financed with HOME funds must meet all applicable local codes (including state codes), rehabilitation standards, ordinances, and zoning ordinances at the time of development completion. The State Code can be found at the following link:

<http://www.dca.ga.gov/development/constructioncodes/programs/codes2.asp>.

VI. Period of Affordability Compliance

During the Period of Affordability, Subrecipients will be required to carry out ongoing compliance monitoring activities as dictated by HOME rules. DCA will monitor their performance in completing these activities. The period of affordability will be determined by the level of assistance provided each unit as outlined in the HOME regulations in Sections 92.252 (e) for rental units and Section 92.254 for homeownership units and can vary from 5 to 20 years. All rental units funded under this NOFA will be subject to all HOME compliance and affordability requirements throughout this period of affordability, including periodic tenant file reviews and unit inspections to ensure all ongoing HOME requirements are met.

For homeownership developments, the liens will be considered satisfied by the owner's continued occupancy in the home as their primary residence as verified throughout the period of affordability. Failure to fulfill this requirement during this time frame will result in a recapture of net proceeds as described in DCA's 2013-2017 Consolidated Plan including the 2013 Annual Action Plan.